



SERVING WHILE SICK

High Risks & Low Benefits for the Nation's Restaurant Workforce, and Their Impact on the Consumer



By The Restaurant Opportunities Centers United

September 30, 2010

Primary Research Support Provided by:
The National Employment Law Project
The UCLA Center for the Study of Urban Poverty

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EXECUTIVE SUMMARY

With over 10 million workers, the restaurant industry is one of the largest and fastest-growing sectors of the United States economy, even during the current economic crisis. However, most workers in this industry work in restaurants that put them at high risk of injury and illness, and provide them with little or no benefits to cope with these challenges. These conditions increase the likelihood of workers committing dangerous practices that place the health of the dining public at risk.

This report is drawn from analysis of 4323 surveys of restaurant workers nationwide - the largest national survey sample of restaurant workers ever conducted— as well as 240 employer interviews and 240 worker interviews, on their wages, working conditions, and access to benefits. It is also based on 500 additional surveys and 20 additional employer interviews on health insurance needs in the industry. In all of these surveys and interviews, restaurant workers across the country reported very high rates of injury and illness and very low rates of benefits to cope with these symptoms. This report will highlight the increased risk factors faced by restaurant workers and their low access to benefits. It will also outline restaurant workers' and employers' particular needs with regard to health insurance. Our findings have important implications not only for workers, but also for employers, taxpayers, policy-makers, and dining consumers.

Two Roads to Profitability

Our study reveals that there are two roads to profitability in the nation's restaurant industry – the “high road” and the “low road.” Restaurant employers who take the “high road” are the source of the best jobs in the industry – those that enable restaurant workers to support themselves and their families, remain healthy, and advance in the industry. Taking the “low road” to profitability, on the other hand, creates low-wage jobs with long hours and few benefits. It ultimately harms workers, other restaurant employers, consumers, taxpayers and the public health.

Our Findings

High rates of restaurant workers nationwide report working in ‘low road’ restaurant jobs, with strenuous work environments and little access to benefits. Direct intervention to reduce stressful, fast-paced working conditions in restaurants would reduce injury and illness in these workplaces. However, access to benefits such as health insurance and paid sick days are both also a necessity. The ability to take time off from jobs and see a physician for prompt care of injury and illness could shorten illness duration and help prevent future injury and illness. Since the median wage of all restaurant workers nationwide is \$8.591, most workers who do not have paid sick days are unlikely to take a day off to recuperate and are unlikely to receive timely medical attention

unless desperately ill if they do not have paid health insurance.

- Restaurant workers in our survey sample reported facing high rates of exposures to dangerous working conditions; 38.1% reported that they had done something while working that put their own safety at risk. Almost half (49.5%) reported being cut on the job, and nearly as many (45.8%) reported being burned on the job.
- 87.7% reported not receiving paid sick days. More than 63% of all restaurant workers reported cooking and serving food while sick, thus impacting consumers' health.
- Almost 90% of all workers surveyed reported not receiving health insurance through their employer. Workers without health insurance were three times as likely to visit the emergency room without being able to pay as their counterparts with health insurance. Immigrants in our sample were far less likely to have health insurance than U.S.-born restaurant workers, with dire consequences.
- Finally, workers who experienced high levels of employment law violations in their workplace were more likely to have worked under conditions that have negative consumer health impacts. Workers who reported that they had done something as a result of time pressure that might have harmed the health and safety of the customer were much more likely to experience overtime violations (59.6%, as opposed to 48.6% of the entire survey population) and working “off the clock” without pay (63%, compared to 39.4% of the total survey population).

In most of the urban areas we studied, the majority of workers in the restaurant industry are immigrants and people of color. Because they are overrepresented in high-risk, low-wage jobs, immigrants and workers of color disproportionately experience the combination of poor job conditions, high workplace risk factors and low access to employment benefits.

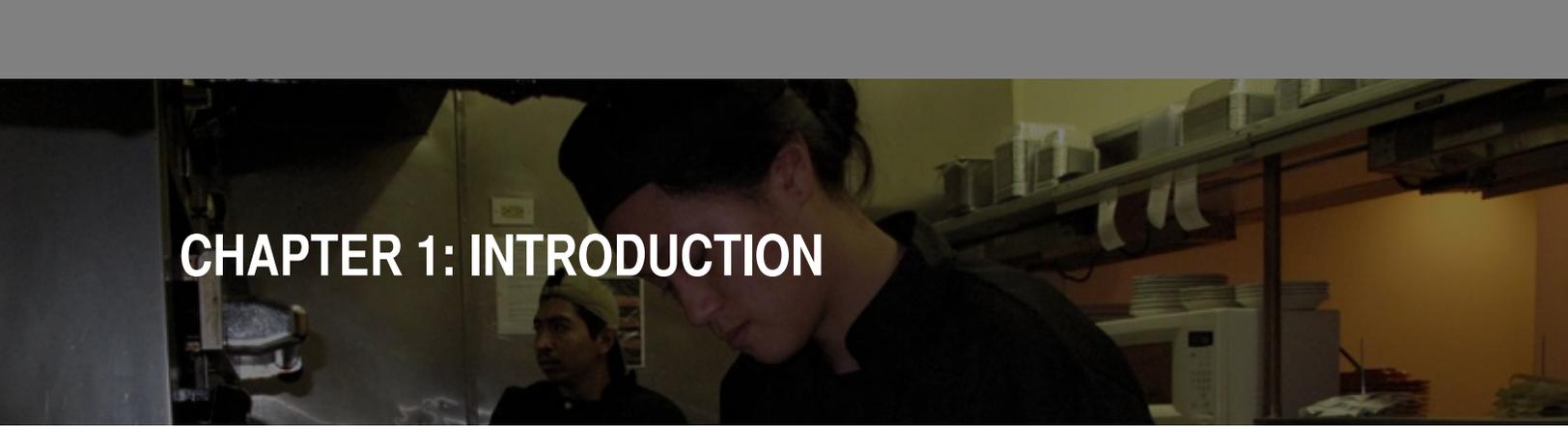
Methodology

From 2003 until 2010, the Restaurant Opportunities Center (ROC) worked with local restaurant industry coalitions in eight regions – New York, Chicago, Metro Detroit, New Orleans, Los Angeles, Washington, Miami, and Maine - to conduct comprehensive industry analyses, including more than 500 worker surveys, 30 employer interviews, and 30 worker interviews in each locality. This study draws upon the combined health and safety data from these studies, and is thus based on analysis of 4,323 worker surveys, 240 employer interviews, and 240 worker interviews nationwide. In addition, from January to June in 2010, ROC conducted 500 additional surveys of its restaurant worker members in seven of these localities on their health insurance needs and access, as well as their consumer preferences for insurance products. ROC also conducted 20 employer interviews on the same issues with regard to health insurance. This report represents a combination of these two data sets, and also draws upon ROC's previous study on occupational safety and health among New York City restaurant workers, *Burned: High Risks and Low Benefits for Workers in the New York City Restaurant Industry*.

Our Recommendations

Restaurants should offer workers safer workplaces and conventional job benefits, including health insurance, paid sick days, and workers' compensation insurance. Without these improvements, the industry will continue to put both workers and consumers at risk. Our specific policy recommendations are to:

1. Support federal legislation and other policy efforts that would and require employers to provide paid sick days and provide greater access to health insurance for all low-wage workers, including immigrants.
2. Provide education for employers and restaurant workers to help them identify workplace risks and ways to reduce these risks, including rights to workers' compensation insurance, strategies to re-organize workplaces to be more ergonomic, and the importance of providing benefits.
3. Improve workplace safety and health conditions for restaurant workers, by having the Occupational Safety and Health Administration (OSHA) develop a special emphasis program to reduce injuries and illnesses in the industry, and encourage employers to follow ergonomic guidelines developed for the restaurant industry.
4. Provide all workers with greater access to better jobs with improved benefits through promotions policies and anti-discrimination monitoring.
5. Publicize model occupational safety and health employer practices to provide much-needed guidance to other employers.
6. Support collective organizing among restaurant workers to improve working conditions for all workers in the industry, including better wages, access to health insurance, and other benefits.



CHAPTER 1: INTRODUCTION

The restaurant industry is one of the largest private-sector employers in the nation, with over 10 million employees nationwide working in more than 568,000 food service and drinking places that make significant contributions to the country's tourism, hospitality and entertainment sectors and to its economy as a whole.² Nationwide and in each of the eight regions studied – New York, Chicago, Metro Detroit, New Orleans, Los Angeles, Washington DC, Miami, and Maine- the restaurant industry is vibrant, resilient, and growing. Despite the current economic recession, the restaurant industry continues to grow in each of the eight regions and nationwide.

This study is based on an analysis of the health conditions and access to benefits among restaurant workers from survey data emerging from the largest survey sample of restaurant workers ever conducted. In more than 4,000 surveys of restaurant workers, 240 employer interviews, and 240 worker interviews that we conducted in eight locations nationwide, we found that health and safety challenges were a primary concern for the restaurant industry in the United States. An additional 500 surveys of restaurant workers in these eight locations and 20 employer interviews focused on the health care coverage needs of the industry that explored more deeply the challenge of not having health insurance. For example, restaurant workers without health insurance reported that they were much more likely to avoid needed Emergency Room treatment because they were not able to pay (see Table 6).

We suspect that the magnitude of health problems and unsafe practices may be higher than found in this study. Workers without access to health care coverage may under-report symptoms or illnesses that have not been confirmed by a health care provider. Also, many workers may be reluctant to admit, even in a confidential survey or focus groups, that they are compelled to engage in behaviors that harm the public. What is certain is that 'low road' employment conditions that compel workers to do things that might harm consumer health and safety, such as having to work while sick or not receiving proper health and safety training, are pervasive in the restaurant industry nationwide.

Methodology

This report includes data from comprehensive restaurant industry studies in eight locations, each titled *Behind the Kitchen Door*, and from an additional 500 worker surveys and 20 employer interviews focused on the health care needs of restaurant workers. Background information was also drawn from the

2009 report *Burned: High Risks and Low Benefits for Workers in the New York City Restaurant Industry*, a four-year study funded by the National Institute for Occupational Safety and Health on the occupational safety and health of New York City restaurant workers. *Burned: High Risks and Low Benefits for Workers in the New York City Restaurant Industry* was based on 500 worker surveys, 40 worker interviews and 40 employer interviews specifically regarding health and safety issues.

The *Behind the Kitchen Door* studies were conceived of and designed by Restaurant Industry Coalitions in New York, Southeast Michigan, Chicago, New Orleans, Washington, DC, Los Angeles, Miami, and Maine, from 2005 until the present. In each location, these Coalitions consist of academics, policy analysts, worker advocates, worker organizers, unions, and others, and included participation from restaurant workers and restaurant industry employers. This document includes summary data from the *Behind the Kitchen Door* report from those eight locations, with pooled survey data weighted for position, industry segment, and local workforce size. In each locality, *Behind the Kitchen Door* is one of the most comprehensive research analyses of the restaurant industry conducted in that region's history. This study is thus the most comprehensive national research analysis of the health needs and conditions of restaurant workers conducted to date.

Each of the eight *Behind the Kitchen Door* reports uses data from more than 500 worker surveys, approximately 30 one-hour interviews with restaurant workers, and 30 one-hour interviews with restaurant employers in each region. Thus, this study includes data from 4323 worker surveys – the largest in-depth survey sample of restaurant workers ever conducted nationwide – and more than 240 employer interviews and 240 worker interviews. The surveys contained questions regarding job hazards, wage and benefits, working conditions, injuries, abuse, wage theft and other employment law violations. Great care was taken to match the survey sample with the ethnic and gender demographics of the local restaurant industry as found in the US Census Bureau's American Community Survey (ACS). Each report also included over 30 in-depth worker and employer interviews that were recorded, transcribed, and coded. In each locality, the results of this primary research are supplemented by analysis of industry and government data, such as the Census, as well as a review of existing academic literature, to produce the full *Behind the Kitchen Door* report.

The research for *Burned: High Risks and Low Benefits for Workers in the New York City Restaurant Industry* was implemented from August 2005 until July 2009 with primary funding from the National Institute for Occupational Safety and Health. Together with the Health and Safety Task Force, the Restaurant Opportunities Center of New York (ROC-NY) conducted a study of the occupational safety and health of New York City restaurant workers. The Health and Safety Task Force included the Queens College Center for the Biology of Natural Systems, the Mt. Sinai School of Medicine, the New York Committee for Occupational Safety and Health, the NYU Center for the Study of Asian American

Health, and Make the Road New York. The study included 502 surveys of restaurant workers, 10 focus groups with workers of different ethnicities, and 35 one-hour employer interviews. The survey sample was strictly matched to race proportions of New York City restaurant workers in the 2000 census.

For this report, we supplemented the knowledge that we have compiled about health and safety through the *Behind the Kitchen Door* and *Burned* studies with 500 health-care specific surveys and 20 employer interviews that asked detailed questions about health care issues. and 20 employer interviews that asked detailed questions about health care issues. The surveys were completed by restaurant worker members of the Restaurant Opportunities Center (ROC), a national restaurant workers' organization, in eight states. The survey questions documented health care coverage needs, access and consumer preferences for insurance. The employer interviews explored employer perspectives from seven states on the difficulties and benefits of offering health insurance to their employees.

CHAPTER 2: INCREASED RISK FACTORS

In 2008, the U.S. Department of Labor found the restaurant industry to be the third highest in terms of total nonfatal occupational injuries and illnesses. With 227,600 cases, Food Services and Drinking Places was ranked below only Elementary and Secondary Schools (284,500 cases) and General Medical and Surgical Hospitals (258,200 cases).³

Our survey data revealed explanation for the industry's high ranking in terms of occupational injury and illness. A majority of workers we surveyed reported working in fast, demanding and pressure-filled environments, and that their workplaces commonly do not employ or enforce regulations designed to ensure the health and safety of workers, sometimes in violation of the federal Occupational Safety and Health Act (OSHA).⁴

Table 1: Health and Safety Violations Reported by Restaurant Workers

Violations	Percent of Workers
Unsafely hot in the kitchen	36.1%
Fire hazards in the restaurant	25.2%
Missing mats on the floor to prevent slipping	22.0%
Missing guards on cutting machines	21.1%
Done something that put own safety at risk	38.1%

As shown in Table 1, 36.1% percent of workers surveyed reported that it gets unsafely hot in the kitchen in their restaurant workplace. Significant numbers of workers reported absences of guards on the cutting machines (21.1%), as well as mats on the floor to prevent slippage (22.0%), and fire hazards such as blocked doors or non-functioning fire extinguishers in the restaurant where they worked (25.2%). Thirty-eight percent (38.1%) reported having done something at work that put their own safety at risk. Despite the prevalence of health and safety hazards in restaurant workplaces, 66.6% of all workers surveyed reported a lack of knowledge of workers compensation laws, and nearly a quarter of the workers (33.0%) told us they did not receive health and safety training from their employers

Table 2: Workplace Injuries Reported by Restaurant Workers

Injuries	Percent of Workers
Burned while on the job	45.8%
Cut while on the job	49.0%
Slipped and injured while on the job	16.7%
Came into contact with toxic chemicals while on the job	24.5%
Have chronic pain caused or worsened by the job	20.8%

Given the prevalence of work hazards reported above, it is not surprising that large numbers of workers reported suffering from injury and illness on the job. Forty-nine (49%) percent of workers surveyed – or more than 2000 workers out of 4188 surveyed - had suffered work-related cuts on the job, and 45.8% of all workers surveyed – had been burned on the job. Almost one-quarter (24.5%) had come into contact with toxic chemicals. Almost seventeen percent (16.7%) reported that they had slipped and injured themselves while at work. Additionally, 20.8% reported chronic pain that was caused or worsened by their job.

“In some restaurants people are doing a lot of physical labor, like I work at a three story restaurant where I haul trash cans of ice up three flights cause during business you can’t use the elevator. ... So there is this ‘go, go, go!’ type of attitude and people wind up doing crazy stuff like pulling things or slipping on the stairs. Broken glass, people getting their hands cut, [etc]. You know, you’re in a fine dining restaurant with the crispy bread and the knife slides along the bread into your finger. I’ve seen that several times. Grease fires and burns in the kitchen, I’ve seen a lot of those kinds of health concerns. And I think it’s just, people are generally in a high risk health situation. I have seen a lot of just not healthy stuff for the worker.” – *Male, New Orleans, 13 years in the industry, Server.*

“I recall one time I had to throw out those long florescent bulbs, the ones you see here and I don’t believe that was part of my job description. It seems like something that should have been handled by management ‘cause I threw it out and it hit the side of the dumpster and it exploded and glass flew in my face. So I had bits of glass in my face.” – *Male, Detroit, 1 year in the industry, Dishwasher*

Table 3: Workplace Practices Reported by Restaurant Workers

Workplace Practices	Percent of Workers
Worked when the restaurant was understaffed	78.2%
Performed several jobs at once	77.5%
Experienced verbal abuse from supervisors	29.1%
Performed a job not trained for	42.8%
Done something due to time pressure that has put own health and safety at risk	38.1%
Done something due to time pressure that might have harmed the health and safety of customers	42.5%

Table 3 reveals that understaffing, which places inordinate pressure on workers, is a common industry practice. An overwhelming majority of respondents reported working when their restaurant was understaffed (78.2%), and a similar number said they have performed several jobs at once (77.5%). Nearly forty-three percent (42.8%) responded that they have been required to perform jobs for which they had not been trained, and 38.1% of workers reported doing something that put their own safety at risk. Such low road workplace practices not only affect workers, but can also have serious consequences for consumers. Forty-two percent (42.5%) of workers reported having done something as a result of time pressure that might have put the health and safety of the customer at risk. In fact, as further discussed in Chapter 4, survey data indicated a correlation between health and safety violations and negative impact on consumers.

WORKER PROFILE

June Lindsey: Detroit Ten Years in the Industry: Fast Food Worker

At 48 years old, June Lindsey is a proud mother of nine and a 30-year veteran of Detroit quick serve restaurants. She first entered into this line of work when she was “17 years old and looking for a job. One of the few businesses nearby was a McDonald’s and they hired me, and I have been in the industry ever since.” Since that time she has not stopped struggling to support her children despite terrible working conditions. Her stories illustrate the adverse effects of these working conditions on the health and safety on the worker as well as the effects on the greater public.



“It was an extremely hot day and I was working in the front counter at Popeye’s. There was no AC in the restaurant. Sweat was running down my face and I had to constantly wipe my face and assist customers with their food order and cashiering at the same time. I am so thirsty but I can’t drink in the front because the manager tells me I’m not allowed to drink in front of customers, and that I have to drink in the back. And when I try to go to the back and get a drink, the manager tells me again that I can’t leave the counter and go back for a drink. I said ‘I am really thirsty. I feel dizzy. My vision is blurry. My ears are popping and something is wrong. I need something to drink.’ The manager threatens me [that] if I go to the back I might as well just go home.”

“After about an hour the pain started to get worse and worse and I asked if I can leave and go to the ER. She refused again and threatened me of losing my job. I told her, ‘[I] am really sick. I need this job; I have children to feed at home.’ She refused, so I chose to go to the ER not knowing if I was going to have my job or not. At the ER I found out that my blood pressure was low because I was dehydrated. I have no health insurance so I had to pay a lot of money that I didn’t have to spend. The next I went back to work with the ER documents and went to the GM and explained my situation. I ended up keeping my job but with a hostile attitude from the manager that didn’t want to let me go or have a drink of water.”

“[Another time] I was working at the same job. I had a really bad cold. My nose was running, I was sneezing, [and] I had a bad cough and a fever. I could not call in sick because no work meant no money and I couldn’t afford it at that time. My kids were very young, so I went to work to see if I can make it through the day. Half way through the day, the sneezing, coughing and runny nose got worse. I asked the manager, ‘I am really sick and need to go because I could make others sick and I am dealing with food.’ She laughed and told me ‘try not to cough then.’ So I had to work that day sick, and who knows how many customers I got sick because I couldn’t go to the back and leave the counter to wash my hands after every sneeze or nose wipe. Later on all of us got sick one by one, and all this came from another worker that came to work sick like me, but was not allowed to leave work!”

“I felt angry and just wanted to leave but I couldn’t because I needed this job to support my family. I felt like a slave!! To add insult to injury, it was especially hard to accept it because I am almost 50 years old and being disrespected by a manager that was half my age. This affected my self esteem and self worth. It’s not my fault I got sick, and it’s just not fair!”

EMPLOYER LIABILITY

In interviews, many employers expressed that promoting health and safety practices in the restaurant setting was a matter of liability for the restaurant, both financially and legally. One employer spoke the need to meet the health and safety standards set forth by local department of health and insurance carriers: “ Oftentimes when you have a restaurant this large and you have insurance carriers and insurance brokers, they usually do a walkthrough [on] safety issues. The Department of Health has a lot of issues – a lot of things they look at when they come and do an inspection that are also health related but also safety related, but our insurance brokers – the companies, before they will issue a certificate of insurance, will come through and talk about our staircases, working conditions...I think a lot of those issues are basic common sense.”

In fact, several employers noted that the costs associated with being noncompliant with government safety standards were reason enough to promote high health and safety practices in the restaurants. One employer stated, “Before if they find [sic] an employee not wearing a hat, they used to let it go. They would just put a correction, like you have to tell your employee. But right now it’s like a \$200 fine per employee. So things like that, you know so many things, which you don’t have to pay for, they just let you pay for and it’s getting higher and higher. And now I’m paying almost \$2000 a year. Which I used to never do. For little things, that never happened before. It’s not critical thing, it’s just something you could rectify. That’s it.”

Other employers drew a direct connection between promoting high health and safety standards through training and reducing costs for the restaurant. For example, one employer stated, “Every new hire, depending on the department in which they are hired, they go through a training program. They basically don’t start in their positions until they have successfully completed this training program. Just to insure that they know what they’re doing so we can prevent future accidents or anything that might be job-related just cutting any human costs, any financial cost that might be associated with healthcare.”

In fact, employers expressed that while implementing strong health and safety training programs for workers may require initial investment, it is more cost-effective in the long run than not providing training. . For example, one employer who did offer health and safety training reported that if someone slipped and fell in the restaurant and broke something, “Once they are out of work, you need to replace that employee, two you’re insurance has to cover it, you know insurance isn’t free, and the more often you use it, as far as workman’s comp, I would assume the more you have to pay, the more you crash your car, the more your insurance goes up...[but] I think it all works out in the end; I think it actually works out better... money-wise. You produce one video and the whole company gets one video, and you save 100 people from falling. I guarantee that didn’t cost that much.”

“We’re concerned for our employees. We want to make sure that they’re healthy and happy.” – *Maine, 5 years at restaurant, Family style*

“As far as what we can control is to provide a safe and friendly work environment. So they are not pissed off when they come to work because of something we are doing wrong. If they look at us like ‘I hate this place I don’t want to go to work but I get to make money’, I lose those guys much more quickly. Plus now with the economy the way it is ... but still we can keep them happy and make it somewhat fun but effective work environment then we can keep the turn over pretty low.” – *Chicago, 17 years in business, Family style*

The concerns expressed by the employers that we interviewed regarding liability issues are reaffirmed by government agencies and in numerous trade articles from the restaurant industry. Particularly given the high rate of cuts experienced by restaurant workers as reported by our survey sample, the cost associated with cuts can be a tremendous liability to employers. OSHA reports that “it is estimated that more than \$32,000 worth of direct (health insurance, workers’ compensation) and indirect costs, such as wages paid to injured workers not covered by workers’ compensation, expenses related to time lost/work stoppage, administrative time spent by supervisors following accidents, employee training, replacement costs, lost productivity related to new employee learning curves, accommodation of injured employees and replacement costs of damaged material/property, can be attributed to just one cut or laceration.⁵ In addition, all hand injuries, including cuts, which are all too common in restaurants, have been noted to be one of the highest sources of employer cost among all occupational injuries. “In addition to the physical pain, hand injuries take a financial toll. The average hand injury claim has now exceeded \$6,000, with each lost time worker’s compensation claim reaching nearly \$7,500, according to the Bureau of Labor Statistics and the National Safety Council. The overall drain on employee productivity becomes apparent, especially when you consider there are about 110,000 estimated lost time hand injuries every year, according to BLS.”⁶

Restaurant trade journals have also noted the employer liability associated with occupational injuries and illnesses. As cited in one major trade journal, “in an age when litigation is prevalent, restaurant owners and managers need to give some serious thought to the liability they are exposed to if they allow health and safety issues to go unchecked.”⁷ In 2005, more than 800 restaurants were found to have critical health code violations, resulting in major costs for the employers.⁸ For example, food-borne disease, which can sometimes be attributed to workers’ illness, “can cost an establishment as much as \$75,000 in legal fees, medical claims, lost employee wages, cleaning and sanitation, discarded food, and lost income”,⁹ Similarly, it has been reported that on-the-job injuries experienced by restaurant workers cost the industry \$300 million in medical fees and lost labor.¹⁰ In fact, in 2003, 24,000 restaurant workers lost a day of

work due to a cut, burn, or scald, and in total 62,000 restaurant workers hurt themselves badly enough to miss a day of work.¹¹

The federal Occupational Safety and Health Act (OSHA) imposes standards for health and safety in the workplace, requiring employers to provide protection for workers in hazardous environments and to keep records of all workplace injuries and accidents. OSHA covers toxic chemical use – the statute requires gloves, for example, for dishwashers and kitchen cleaners who use very heavy toxic chemicals – and temperature of work environments, including excessively hot kitchens. While there is no mandatory requirement that employees be provided with specific health and safety training, such training is effectively necessary to ensure compliance with OSHA and workers' compensation law.

Employers in every U.S. state and territory must secure workers' compensation insurance for every employee.¹² Most states' Workers' Compensation law also stipulates that, provided the employer is informed of any workplace accident within a certain time period, workers' related medical expenses will be fully covered. Workers may also be eligible for weekly compensation if they lose work due to a work-related injury, and for fixed compensation for any permanent disability.¹³

CHAPTER 3: LITTLE OR NO ACCESS TO BENEFITS

The vast majority of restaurant workers we surveyed reported not having paid sick days, to take time off to care for themselves or loved ones, or, even if they had the ability to take time off, health insurance to cover the cost of medical care. In surveys and interviews, workers regularly repeated their need for both kinds of benefits. Their lack of benefits impacts not only workers and their families, but also consumers, taxpayers, and employers.

A. Paid Sick Days

Almost all restaurant workers we surveyed reported not having paid sick days. 87.7% of all workers surveyed reported not having access to paid sick days, and 63.6% reported working in restaurants – preparing, cooking, and serving food - while sick.

Table 4. Access to Benefits

Do not get paid sick days	87.7%
Do not get paid vacation days	79.3%
Have worked when sick	63.6%

“Sick time? I take my own sick time, if I’m very sick I don’t go. But many times you can’t afford to take the day off because you’re sick, and all the time, especially this season and in the spring, a lot of my coworkers they were sick, sneezing in the food. They were disgusting. But you know, what can they do? They cannot afford to take the day off.” – *Female, Maine, 4 years in the industry, Server*

“There [are] times when I call in and tell them I’m sick and they still say ‘you can’t come in for a few hours?’ They don’t care! You gonna be sneezing, over people’s food and stuff like that and if you wanna put a mask on or try to cover yourself up or whatever then it’s bad for the business. That’s why you should have allowed me to stay home. I told y’all I was sick! That’s how it is right now [though]; they just don’t care.” – *Female, New Orleans, 23 years in the industry, Server*

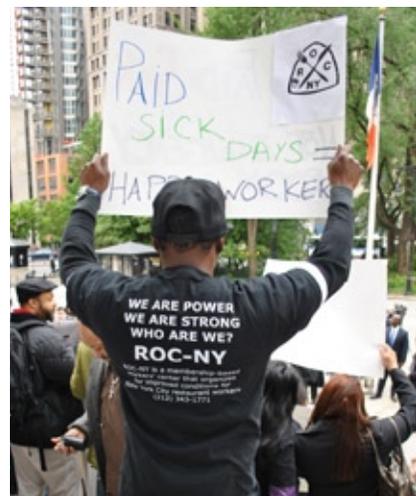
“The concept does not exist: there is no sick time, you come to work either way. If you don’t come you don’t get paid and if you stay off too long you get fired, that’s it, even if you’ve been there for two years.”
– *Male, Michigan, 5 years in the industry, Line Cook*

In some localities, we asked workers further questions about why this was true. For example, in Maine, of the workers surveyed who reported having gone to work sick, nearly half (49.2%) reported needing to work while sick because they could not afford to take the day off. One kitchen worker who has been in the industry for 8 years explained, “I remember going to work one week straight with a cold, coughs, sore throat, everything, fever, and working and my manager didn’t say anything and I was expecting he would have gone ‘go home, feel better’ because we work out back in the kitchen separating donuts and by the time these donuts get spread out its all over the state of Maine. I mean, it comes out of my hand, and you know if I’m sick, everybody’s sick. And I didn’t want to call off because I wasn’t going to get paid, or my manager wasn’t gonna let me cause he didn’t excuse me, so I just basically worked.” Maine workers also reported additional consequences for working while sick, with 31.8% of workers surveyed reporting that they endured a prolonged illness, 21.4% couldn’t complete tasks necessary for work, 19.9% caused other workers to become sick, and 12% reported that they coughed or sneezed into the food when they went to work sick.

During the outbreak of the H1N1 “Swine Flu” epidemic in early 2009, the president and surgeon general both urged people staying home to be the best way to minimize the spread of the flu.¹⁴ However, the fact that nearly all food service workers lack paid sick days means that such an option would not be feasible for most food service workers, thus contributing to the risk of the widespread illness among both restaurant workers and the public they serve.

With restaurant workers in particular, given their regular interface with preparing, cooking and serving food for the dining public, the lack of paid sick days and high incidence of workers working while sick is a public health concern.

On April 30, 2009, New York Times columnist Judith Warner profiled a ROC member working in Miami as a server in a restaurant while sick with flu during the H1N1 epidemic.¹⁵ Without paid sick days, the worker knew that she would lose her job if she did not go to work, despite the fact that she had both a fever and cough. The column reported that nationally, “only 14 percent of the people serving and handling food in restaurants can stay home from work when they’re coughing and sneezing, without fear of losing their jobs.”



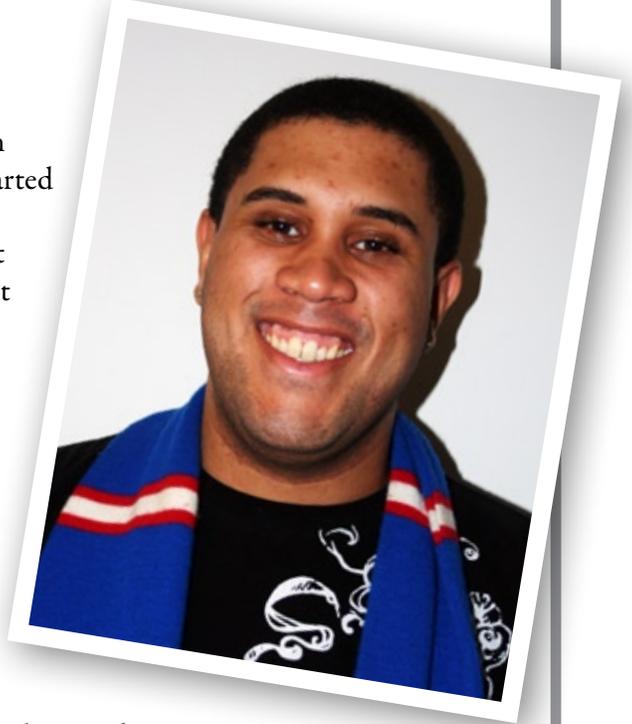
Employers who force restaurant workers to work while sick are contributing to a public health challenge. The U.S. Centers for Disease Control and Prevention (CDC) in Atlanta estimates that noroviruses, a family of pathogens associated with outbreaks of foodborne illnesses, are actually more common in restaurants. In 2004, the most recent year for which data are available, 251 reported outbreaks of foodborne illnesses across the country – involving 10,000 victims – were thought to be viral. According to CDC statistics, almost all were classified as norovirus-related, and 93 were norovirus outbreaks tied to restaurants.¹⁶

“If an employee stays home sick, it’s not only the best thing for that employee’s health, but also his co-workers and the productivity of the company.”¹⁷ – Commerce Secretary Gary Locke

WORKER PROFILE

Luis DeLeon, Chicago 10 years in industry, grill cook

The son of an African-American mother and a Puerto Rican father, Luis DeLeon was born and raised in Chicago. He started working back-of-the-house restaurant jobs when he was 17. Now, at 27, he's a ten-year veteran of the Chicago restaurant industry. He started working in restaurants simply because it was available to him and the application process was short. However, in the last four years he has developed a passion for the work and has no intention of leaving. Despite all this, he says restaurant work can be very tough. Luis shared his experience with illness in the workplace, a story that is similar to many restaurant workers. He explained, "In my 10 years of working in the industry there have been numerous times that I have gone to work while sick. I would try and call off and tell a manager 'I don't feel good' but they still made me come in to work. I was sneezing in the food, sweating, coughing, and feeling faint, and I'm sure I was spreading germs to all my customers. I was less productive, it took more time to get the food out, it was an awful situation to be in."



"I would stay sick for several days, and even up to a week, and all I really needed was a full day or two to rest and recover. I never got, nor do I currently get, that day or two, because I am always forced to come in and if I don't, I know I will be fired or my hours will be drastically reduced. I can't afford to lose my job or get my hours cut so I just put up with it. I have to pay rent, buy food, and pay the other bills I'm responsible for- no job means no livelihood."

"I want to just emphasize that if it were up to me I'd stay at home to recuperate but my employers won't allow it- so in turn I jeopardize my own health and safety, that of my co-workers and that of you the consumer, and it is not fair to any of us."

B. Health Insurance

In our sample of 4,323 surveys, 89.7% of all workers surveyed nationwide reported not receiving health insurance through their employer, and 61.5% reported not having health insurance at all. Almost one quarter (22.7%) reported that they or a family member had gone to the emergency room without being able to pay in the last year.

“Policies that would help the restaurant industry for the workers? Definitely health insurance is the most important one because you want to retain your staff so that way you’re not turning over people...benefits would be key. So implementing some kind of health insurance would be vital for workers and owners and beyond that, I know they work on sick days and sick days would be important but I think because the way the restaurant industry is set up there has to be some way to compensate.” – *Male, Maine, 13 years in the industry, Bartender*

“Well, for me, it’s your life, it’s how you pay your bills and the way I saw it was, you work with these people. But I know I shouldn’t get friendly or personal with these people but, you know, you spend so much time together, and you make jokes together and you try to work and have fun at the same time. What I noticed was the owners of this restaurant that I used to work at they were more concerned about my production than my well-being, or how I got along with everybody. And one of the owners came over to me and said, ‘Well, now that you’ve done all your duties and all the work that you’re supposed to do, why don’t you go to the back of the house and bring in, you know, this furniture, and I thought, you’re giving me something something to do and I’m going to break my back and you don’t even provide me with insurance.’ So we had this big-big argument and he said, ‘Get back and do your job or else you’re fired.’ And it was like, you don’t ‘get it’. Like, I break my back in here and who’s going to take care of me, who’s going to feed me, who’s going to pay my bills, I’m only supposed to work in the restaurant. I’m not your maid!” – *Male, Chicago, 9 years in the industry, Busser, Barback, & Server*

Table 5: Job Benefits and Health Reported by Restaurant Workers

Job Benefits and Health Reported by Restaurant Workers	Percent of Workers
Does not receive health insurance through employer	89.7%
Do not have any health insurance coverage	61.5%
Gone to ER without being able to pay	22.7%

Given the high rates of injuries and illnesses suffered by workers in this sector and the low rates of access to health insurance reported by restaurant workers, the Restaurant Opportunities Center (ROC) sought to understand the specific health care needs, access and consumer preferences of its membership in order to design an appropriate solution. ROC thus conducted a more in-depth survey on these particular issues

with 500 restaurant worker members nationwide, and interviews with 20 employers around the country.

Similar to the rates reported from the more general, non-member survey conducted with more than 4,000 workers nationwide, 64.5% of ROC’s surveyed members reported not having health insurance at all. And, as victims of the ‘low-road’ jobs previously described, members without health insurance reported lower wages than those with access to health insurance. Whereas those workers with access to health insurance from their employer reported earning a median weekly income of \$400, workers without access to health insurance reported a median weekly income of only \$330 – an annual income of only \$17,160. 79% of workers without health insurance stated that the main reason they did not have it was because they could not afford it. And, as can be seen in Table 5 below, although workers with and without healthcare were both hospitalized at similar rates, workers with health insurance were far more likely to have been treated for a major condition (22.3% as opposed to 16.8%), take prescription medication (45.5% vs. 29.2%) and receive treatment for a chronic illness (18.4% compared to 12.8%). Not surprisingly, while restaurant workers with and without healthcare both clearly had medical needs, workers with health insurance were more likely to receive regular treatment.

Table 6: Relationship between health care needs and health insurance

Have you or a family member been...	Percent of workers with healthcare	Percent of workers without healthcare
Hospitalized in the past year	19.3%	17.9%
Been treated for a major condition	22.3%	16.8%
Take prescription meds	45.5%	29.2%
Chronic illness or persisting medical condition received treatment for within the past 6 months	18.4%	12.8%

Unfortunately, even restaurant workers with health insurance reported paying large amounts out of pocket for medical costs. Among those with health insurance, only 8.8% reported that their employer paid for the insurance in full. In fact, workers with health insurance reported paying more than \$1000 out of pocket in medical care costs in the past year at higher rates than those without health insurance (28% vs. 19.5%). Not surprisingly, all workers – both those with and without health insurance – reported avoiding medical care because of their inability to pay. However, as can be seen in Table 6 below, workers without health insurance were three times as likely to avoid emergency care as workers with health insurance, but also three times as likely to report using the emergency room because they could not receive health insurance elsewhere, and three times as likely to go to the emergency room without being able to pay. Thus, restaurant workers’ lack of access to benefits clearly has a public cost.

Table 7: Affordability of Health Insurance

	Percent of workers with health insurance	Percent of workers without health insurance
Avoided doctors visits because couldn't pay	91.9%	94.7%
Avoided prescription drugs because couldn't pay	58.5%	48.6%
Avoided ER when needed because couldn't pay	13.2%	37.6%
Went to ER because couldn't receive health insurance elsewhere	11.1%	33.4%
Went to ER without being able to pay	13.6%	37.2%

In attempting to design a solution, ROC then sought to understand what exactly its members would want out of a health plan. A vast majority – 71.5% - reported that they sought a health plan as a way to protect against high medical bills, and in particular, to see the doctor for general checkups a few times a year, get cheaper medication, and be able to visit the emergency room if needed, and only 28.4% sought a health plan to treat recurring medical conditions. This statistic indicates that, despite the high rates of injuries and illnesses they suffer in the restaurant described in Chapter 2, ROC’s surveyed members are a largely healthy population seeking preventative treatment rather than treatment for chronic conditions. In addition, a majority – 55.5% - reported that the major factor in selecting a plan was cost, not surprising given these workers’ low income.

Employer Perspectives on Health Insurance

Employers generally agreed that health insurance was a necessity for the restaurant workforce, both for the welfare of their own employees, and for their restaurant to be able to recruit and retain qualified employees. When asked what might incentivize them to offer insurance besides having access to a low-cost plan, one general manager from Maine in a casual family style establishment stated, “I don’t think I would need other incentives. I feel like it’s something everyone deserves access to.” Several employers cited the importance of providing health insurance in being able to recruit and retain qualified employees. One family-style restaurant owner in New York stated that offering health benefits “would make working here more competitive – better staff because [we give] better benefits of working – It’s a higher priority than it has been in the past to people” Another general manager from a Miami family-style establishment stated that they wanted to provide benefits in order to “raise [our] restaurant’s image

among possible applicants; if restaurant workers hear that we offer benefits then we would be able to attract more qualified workers, improve worker moral and reduce turnover”A frustrated general manager from Maine recounted, “I’ve had employees leave so they can go get ‘real’ jobs so they can get insurance that covers prescriptions!”

Several employers also stated that they would be willing to join a collective of employers and workers to obtain a cheaper rate. Moreover, if they found such an affordable plan, that they would be willing to pay a portion of weekly premiums for their employees. When asked what would be the important factors of such a plan, at least one employer stated that it was important to them to have a plan that would cover their undocumented immigrant employees.

One of the few employers we interviewed who were able to provide full insurance for all her employees explained the tremendous return that offering these benefits has brought to the restaurant’s bottom line. As the owner of a family-style establishment in Michigan, she explained that: “Employees feel more invested in and they are therefore more committed to their work and do a higher quality job. If your employees feel ownership over their business and their work, they require less day-to-day supervision, which frees business owners to be able to do more work on expanding the business and improving conditions and opportunities – which ultimately benefits everyone.”

Immigrant Restaurant Workers & Health Care Coverage

The nation’s food service industry relies heavily on immigrants. 48.7% of the 4,323 restaurant workers we surveyed nationwide were foreign-born, and 14.7% reported not having legal documents to work in this country, while only 12.8% of the total U.S. population is foreign-born, and recent estimates place the undocumented portion of the total population at only 4%.¹⁸

Unfortunately, not only in the restaurant industry but also nationwide, immigrant restaurant workers and, in fact, all immigrants, are significantly underrepresented in the nation’s healthcare system. In 2008, 15% of native citizens, 22% of naturalized citizens, and 46% of non-citizens lack any form of insurance, regardless of whether it was obtained privately, through an employer, through a family member, or through some form of public program. Examined on their own, 59% of all undocumented immigrants nationwide lack coverage.¹⁹ Using a cross-national comparative approach, public health researchers Siddiqi, Zuberi and Nguyen found that this disparity in health insurance is a critical cause of the differences in unmet medical needs between immigrants and non-immigrants.²⁰ In addition, 7% of all people under age 18 in the United States are children of undocumented immigrants. While almost four in five of them are U.S.-born citizens eligible for public insurance, and many of the immigrant children are even eligible for public insurance benefits, immigrants are still severely underinsured. 45% of immigrant children and 25% of U.S. born children of undocumented immigrants are uninsured as compared to only 8% of children of U.S. born parents.²¹

Among restaurant workers we surveyed, 26.3% of non-citizens and 14.3% of undocumented workers lack access to health insurance, compared to 61.5% of all workers surveyed. And while only 10% of all restaurant workers receive health insurance through their employers, a far smaller percentage - only 6.2% - of undocumented workers have access to health insurance through their employer. Their lack of access to care is compounded by their lack of access to paid sick days. While only 13.3% of all workers surveyed reported having access to paid sick days, only 8.2% of undocumented workers had paid sick leave. Additionally, immigrants have far less income to pay for medical costs out of pocket. Median wages decrease with documentation status: in our total survey population, the median wage reported was \$11.25 for citizens, \$10.00 for authorized non-citizens, and \$8.61 for undocumented immigrants. Not only do immigrants and particularly undocumented immigrants lack sufficient health insurance, they also lack sufficient purchasing power to purchase health insurance out of pocket.

Of the 505 surveys we conducted specifically on restaurant workers' health insurance needs, 30 were undocumented immigrants, and 90% of these immigrants did not have access to any health insurance, compared to 64.5% of the total survey population. These workers reported not only an inability to access health insurance due to cost, but also a general lack of knowledge and information about the health care system in the United States. Among undocumented immigrants surveyed that did not have insurance, the most cited main reason for not having health insurance, besides that it was too expensive (69.6%), was that they did not know how to obtain insurance (21.7%). Only 5.2% of U.S. citizens in the survey sample cited not knowing how to obtain insurance as an important factor, less than a quarter of the percentage of undocumented immigrants who reported the same.

The Affordable Care Act that was signed into law on March 23, 2010 will reduce the total uninsured population in the United States through better regulations of health insurance companies and public subsidies for individual health insurance. However, immigrants who have been in the country for less than five years and undocumented immigrants have been excluded from key pieces of the health reforms. Authorized immigrants continue to be barred from Medicaid for their first five years of residency. However, they will have access to the state exchanges in which health insurance will be competitively sold and to all of the subsidies available to low-income families in that forum. On the other hand, undocumented immigrants continue to be barred from Medicaid and are not even allowed access to the state exchanges to buy unsubsidized insurance. Barring undocumented immigrants from the state exchanges denies this part of the U.S. population from their right to health.

Moreover, it increases the burden on citizens and authorized immigrants. The median age for undocumented immigrants in all industries (35.5 years) is more than a decade younger than authorized immigrants (45.9 years) and citizens (46.3 years).²² Including this younger and healthier segment in the insurance pool would reduce costs for the rest of the population. According to the Kaiser Family Foundation, "many lawfully residing and undocumented immigrants would still likely be dependent on safety-net providers, such as community health centers, clinics, and public hospitals, and state and local safety-net programs for care and assistance."²³ While undocumented immigrants pay taxes and thus contribute to the public coffers that must pay for these institutes, it would be preferable to everyone for them to be able to pay into an insurance pool for proper health care coverage and thus help reduce the burden on publicly-funded safety-net providers.

Providing immigrants access to proper medical care is not only a question of their well-being. As so many immigrants work in restaurants preparing, cooking, and serving food, and so few get paid sick days, depriving them of proper access to medical care is a threat to consumer safety and public health.

WORKER PROFILE

Carlos, Miami 10 years in industry, Barback



Carlos is a 33 year-old undocumented immigrant that has been living in Miami for five years working in the restaurant industry. At his current job he brings 10 years of restaurant industry experience, including 5 years in his birth country of Guatemala. In his current restaurant he works as a barback but occasionally bartends and has the ability to fill other positions due to his long experience in the industry. Recently though, Carlos was badly cut on the job. He faced an intimidating situation that he claims is not uncommon in the industry. Because Carlos did not know his rights, his bosses were able to pressure him to work at risk of aggravating the injury and they discouraged from using workers compensation when he brought it up.

“All of this really happens because of how nervous you are not to break anything. I was cleaning coffee cups while one of the owners was at the bar. I dropped one of the cups and I tried so hard to catch it but it broke right as I tried to grab it and it cut me really deep. The manager helped me clean it up but then I found a piece of porcelain in it. When I pulled it out [my wrist] really started to gush dark blood and I got really lightheaded and scared. I was worried I cut an artery.

They bandaged it up though and gave me a latex glove and told me to finish the last half hour of my shift until 4:00. I finished it and when I left I told them that my wrist really hurt and I didn't feel good. They told me to go home and take some Tylenol, or something for the pain and to come back and finish my double [shift] at 7:00 and maybe he would let me go a little early, maybe at midnight. ...

It hurt a lot so I called [the ROC organizer]. Before that I didn't even know what workers' comp was. After I talked to him I called the restaurant and told them I wasn't going in and I was going to the hospital. He was mad but when I mentioned workers' comp he said I could take the day off and to call tomorrow but don't worry about workers' comp. At the emergency room they x-rayed my hand to make sure there wasn't any more porcelain in there and the doctor gave me a bill for my boss and a note that said I wasn't supposed to work for a few days. When I brought the note to the owner he was so mad he wouldn't even talk to me. I had to give the paperwork to the manager... The owner called me later to see if I had any insurance. I told him that I didn't have insurance...He was angry. It was finally the manager that called me back to tell me that I could go back to the hospital when I need to get the stitches out and that I would get paid for the time I spent at home recuperating but that if I go work anywhere else during those days I could get in trouble with the law. I told him I only have one job and I was going to use those days to get better. It's good in a way what happened because I learned how to go about making sure my rights are respected no matter if you don't have insurance, no matter if you don't have documentation, it doesn't matter you have rights. And so this experience taught me how to go about getting those rights respected and it also allowed me to serve as a sort of guide to my co-workers in the future should anything like this happen to them. Now I know what to do and I can help them out to make sure their rights are respected.

WORKER
PROFILE

**Carlos, Miami,
10 years in industry, Barback**

Carlos now feels empowered that he can benefit from the protections that workers comp offers but a more difficult adversity for him to overcome is his lack of health insurance. Despite his generally good health, he is concerned about his lack of insurance in the case of an emergency. Moreover, he has wanted to go to the doctor at certain points in the past but has avoided doing so because of the cost. Frustrated about this situation he asserts that the right to health “is a right that everybody should have indifferent of your immigration status or where you’re coming from. This is a right you are born with.”

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CHAPTER 4: CONSUMER EFFECTS

“That’s why they have that show Ramsey’s Kitchen. I can tell you I’ve been into a lot of kitchens... some of the kitchens that are out here in Portland are just as bad. But, yeah it does affect like especially people like, you catch colds, and this and that, and then you’re wondering why, just take into mind/ consideration where you’ve eaten in the last couple of days. Cause you could have caught that cold from that restaurant. When I’m coughing on a plate and then just putting your food there, you’re saying ‘O that gravy tastes good,’ rubbing your finger and licking it.” – *Male, Maine, 25 years in the industry, Line Cook*

A. Serving While Sick

“I have been in the restaurant industry on and off for 4 years. I have spent many days sick, in the back of a kitchen or in front of customers - too many to remember. I had the choice of either taking the day off only if I could find someone to cover my shift, or go to work sick. Nine times out of ten I went into work sick. I did my best to keep a sanitary kitchen, but when you’re sick with a viral or bacterial infection it is almost impossible not to infect others, as well as the food you’re preparing or serving. I recall one evening; I had to go into work sick with a really bad case of the flu. I called in to see if I could stay home, but the owner told me I had two choices; come in or not come back. I had to choose between living in a house or on the streets. If I didn’t come in, I wouldn’t have been able to afford my rent or even to eat for that manner. If I did come in, I ran the risk of becoming more sick and infecting those around me. Unfortunately, I had to go into work. It was an incredibly busy weekend, at one point, one of my fellow workers sat me down because I was about to faint. The smell of grease and long shift had taken their toll. I spent the next 5 days vomiting, expectorating phlegm, and drinking a lot of orange juice. I had to force my co-workers to cover for me and work double shifts, they didn’t want to see me fired, and I didn’t want to lose my job. Later that week, two of my co-workers caught my virus as well as quite a few customers.” – *Male, Chicago, 4 years in industry CookTable 4. Access to Benefits*

“I may have been, had a cold and been at work and then served food that could have spread a [contagious illness] I’m sure because I’ve caught colds from other people at work.” – *Female, Maine, 6 years in the*

Our research findings strongly suggest that low road workplace practices prevalent in the restaurant industry can increase public health risks. For instance, 63.6% of workers we spoke with in the course of our study reported working while sick. And workers without paid sick days were far more likely to work while sick than those with paid sick days. Among those with paid sick days, less than half (46.7%) reported going to work while sick, while among those without paid sick days, nearly seventy percent (68.5%) reported preparing, cooking, and/or serving food while sick.

Employers acknowledged the connection between worker exposures, the lack of benefits, and consumer health risk. One New York City employer joked, “Sick days. There aren’t a set amount per year. You know it’s one of the jokes in the restaurant industry: the restaurant industry keeps New York City sick because we don’t take days off. We single-handedly keep New York sick during the winter months because we don’t take days off...We’re passing on all the illnesses to the customers. That’s just a joke. You know, it all depends. Staff calls in sick all the time. It’s kind of known as far as management goes is that you show up and then get sent home. No matter how sick you are: show up and then get sent home.”

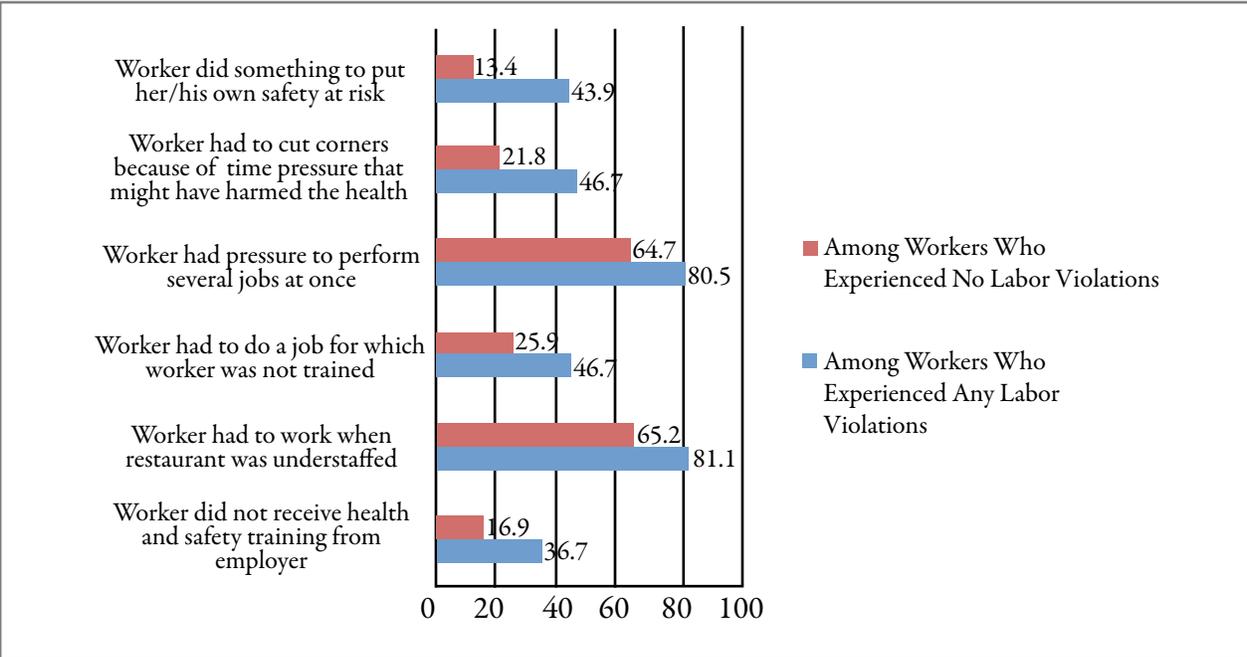
A 2008 study by Barry-Eaton District Health Department (BEDHD) in Michigan published in the Journal of American Medical Association investigated the source and agent of infection to determine the scope of illness among patrons and employees at a national chain restaurant. The BEDHD environmental assessment of the restaurant identified deficiencies with employee hand-washing practices, cleaning and sanitizing of food and nonfood contact surfaces, temperature monitoring and maintenance of potentially hazardous food, and maintenance of hand-sink stations for easy accessibility and proper use. As a result of a lack of health and safety training in cleaning up the incident (the restaurant had used an ammonium-based sanitizer that was ineffective against norovirus), a total of 95 people had gotten sick (an attack rate of 33.7%) and 64 people experienced a norovirus transmission (an attack rate of 13.5%). Unfortunately, transmission continued through the next day. BEDHD intervened and mandated that (1) all food prepared during the dates of attack be discarded; (2) all ill employees were excluded from working for at least 72 hours after their symptoms had subsided; and (3) the facility was cleaned extensively with disinfect according to MDCH and Michigan Department of Agriculture guidelines for environmental cleaning and disinfection of norovirus.²⁴

B. Pressure to Cut Corners, with Potential to Harm the Customer

Over forty percent (42.5%) of the 4,323 workers surveyed had done something as a result of time pressure that might have put the health and safety of a customer at risk. Employers pursuing a low road business strategy place enormous pressure on workers, and often cut corners on health and safety training, leading to workplace practices that endanger employee and food safety, and consequently public health. As demonstrated by Figure 1, workers who reported employment law violations at their place of work were also much more likely to report workplace practices such as failure to provide health and

training, being required to work when the restaurant is understaffed or perform several jobs at once, and being asked to perform a job for which they are not trained. This combination of workplace conditions could have harmful effects on the health and safety of customers. Workers who reported that they had done something as a result of time pressure that might have harmed the health and safety of the customer were much more likely to experience overtime violations (59.6%, as opposed to 48.6% of the entire survey population), and working “off the clock” without pay (63%, compared to 39.4% of the total survey population).

Figure 1: Linkage between Risks to Consumer Health and Workplace Violations



Employers engaging in ‘high road’ practices provide safer and healthier dining experiences for consumers. These employers understand the public health risks involved with forcing workers to work while sick and putting so much pressure on workers that they are forced to cut corners that harm the health and safety of the consumer. These challenges in the restaurant industry have public health implications, which should be concern to employers, legislators, and consumers alike.

EMPLOYER PROFILE: Egg, Brooklyn, New York

Owner George Weld, 5 years in the industry

General Manager Holly Howard, 10 years in the industry

Owner George Weld and General Manager Holly Howard run Egg, a Brooklyn restaurant that utilizes a concept of sustainability that not only integrates nutritional and environmental factors but also assures that the labor that prepares and serves the food is able to do so with dignity. Egg's mission is first, "to make it a great place to work", second "to make it a great place to eat", and third "to change the way the food system works—essentially to give access to good food to more people".



Aside from generous wages, Egg employees receive health insurance on a 50-50 split and ten days paid time off per year that they can use for sick time, personal days or vacation. When asked why Egg offers such benefits that are uncommon in the restaurant industry, Weld emphasized the irony of how society treats restaurant workers as compared to white-collar jobs and wanting to change this relationship. He explained, "I worked in offices for a while. Part of it is the frustration of seeing people who barely lift a finger all day long in an office getting rich benefits for what they do and having their parents proud of them ... It's frustrating to be in [the restaurant] industry that everyone looks down on as dead end jobs or people who don't have any other skills. I want people to take [restaurant jobs] seriously. I want people to look at the restaurant business and say 'this is work; this is a good alternative for people who are well educated and really want to make a difference in the world'. For me, a big part of it is just treating the job the way that it should be treated. It should have a different profile." Howard added "from an operational point of view, it's a high risk environment that people are in and as an employer you owe it to your workers to provide health care if they're around knives. And you know everyone is on their feet all day long. I also think that it helps us keep a low turnover rate. When people come to work here, they get really excited about it. It's a reason that they stay. So our turnover rate is really low, which of course saves money on training."

Although they insist that offering health insurance and paid time off benefits the restaurant's bottom line, when asked about any challenges in offering the benefits, the two named cost as the biggest challenge. However, Weld claimed that cost should not even be as big of an issue if large business lobbies would not take such a belligerent stance on employment law reform and instead invest their resources into productive matters: "That's one of the things that's frustrating about the National Restaurant Association and groups like that. I don't know why they couldn't use their bargaining power to get better health care rates and to do good instead of always being on the defensive against change and innovation. It just seems that they have a very narrow focus. And that's the other thing. I don't know anybody that is part of the NRA. They've never approached me. I don't know who they represent. I don't know if they represent big chains or multi-million dollar restaurants or what. I don't think 90% of the restaurants in this neighborhood have any contact with them at all."

EMPLOYER PROFILE: Egg, Brooklyn, New York

When asked how this type of business model could spread in the industry Weld and Howard were optimistic. One ingredient was re-educating consumers. Weld asserted, “It’s the same way the Good Food Movement spread through restaurants. Once people start to realize that they want to support restaurants that support their workers, then they’ll go to those restaurants.” Another ingredient to a solution involves how restaurants are run. Howard added “I think it’s also about a reeducation of business owners. There is such a way of doing things and it’s been done for so long that people really need to be reeducated.” Weld also expanded on this idea claiming that seeing restaurants that are profitable and ethical is “inspiring” to owners. “You don’t want to be the last guy paying your workers under the table below minimum wage. They want to be as good as the best people in their business. And if you can show that you can do that at our scale, it’s exciting. You don’t have to have 15 million dollars of revenue to do a good job. You can do it at a smaller scale.”

Both Weld and Howard had advice for others that are considering the high road restaurant model. Howard counseled that owners should focus on the long-term benefits over the short-term costs: “I think that people get overwhelmed at the idea of it. For instance, our health insurance, on our side of it, for a year will cost about \$15,000. But when you tell a small restaurant like ours that that’s \$15,000 dollars of your profit that you’re going to lose, people tend to freak out. But you know when you break it down and think about what it means to make \$15,000 over 365 days, it’s not that much more money that you need to make. But it’s a commitment. So many people in the restaurant industry get into it for immediate rewards or fast cash. But when you are trying to build a sustainable business, which includes providing employee benefits, it’s important to be able to think long term and realize that you might not see the rewards immediately.” She also added that owners should understand that certain practices will change: “Because it brings about so many changes in your finances and your scheduling and your personnel, I think it’s so important to be flexible and open to problem-solving.”

Weld advised other owners that these practices have positive results on the restaurant’s bottom line but he also emphasized the non-monetary factors of the personal relationships between owners and workers: “The payoff for doing things correctly has financial awards, [but it also] has huge emotional awards. I know restaurant owners who hide from their employees when they’re off somewhere taking a break and their employees are killing themselves to make the money. It’s a horrible way to feel.” He argued that low-road employer practices necessarily have a toll on owners too. The emotional rewards for these high-road practices are more than ample enough to justify making these changes.



CHAPTER 5: POLICY RECOMMENDATIONS

Some of the health challenges addressed in this report can be improved by educating workers and employers about best practices to avoid injury and illness on the job. However, to effectively address the high rates of injury and illness among workers, it is clear that education is not sufficient; while it will reduce the risks workers face in the workplace, workers need to be able to care for their health in any situation. These workers need benefits, including health insurance, paid sick days, and paid vacations. Without both education and intervention, the industry will continue to put both workers and consumers at risk.

1. **Benefits.**

Workers who have access to fringe benefits are better able to cope with injury or illness on the job. Since injury and illness is related to demanding work environments, having the ability to take time off or to see a doctor could prevent the appearance of new symptoms. Legislation should ensure restaurant consumer safety and level the playing field by mandating paid sick days for all workers and creating a public system that provides health care coverage for all, including immigrants. Until such legislation is achieved, efforts to provide uninsured workers with low-cost or free health insurance, such as through ROC's National Restaurant Workers' Health Insurance Plan (see box), should be supported.

2. **Education for workers.**

Workers should receive health and safety training on paid time, and in their own language. All workers should be educated on workers' compensation insurance, with language-specific written materials and verbal education.

3. **Safety and health conditions in restaurants need to be improved.**

Through incentives or penalties, employers should be encouraged to follow restaurant-specific ergonomic guidelines developed by ROC, and generally provide safe, well-ventilated, well-organized environments for their workers to work; all employers should provide health and safety training to their workers. Occupational Safety and Health Administration (OSHA) standards for the restaurant industry should be improved and enforced.

4. **Education for employers and consumers.**

Employers and consumers could benefit from learning the information gleaned from this study, to help employers avoid liability by re-organizing their workplaces and providing benefits, and to help consumers better understand what occurs behind kitchen doors.

5. **Greater access to better jobs.**

Since it is clear that higher-level positions provide greater access to benefits, and that immigrants and people of color are underrepresented in these jobs, we should work toward more equal opportunity for these workers to obtain higher positions, including a formal and transparent protocol for workers to apply for promotion to higher-paying positions and the monitoring of discrimination.

6. **Model employer practices should be publicized to provide much-needed guidance to other employers.**

With policy makers' support, research can be conducted and materials created to help employers understand the benefits of promoting from within and creating a safe and diverse work environment, as well as the negative consequences of failing to provide such opportunities. All focus groups reported that if employers were willing to spend even minimal time and money on safety, accidents and injuries could be avoided.

7. **Collective organizing among restaurant workers should be supported.**

Rather than simply providing workers with access to living-wage jobs, we must simultaneously work to improve working conditions for all workers in the industry. Collective organizing efforts which foster better wages and working conditions enable restaurant workers to access health insurance and other benefits, and facilitate advancement, investment and ownership in the industry.

THE ROC-UNITED NATIONAL RESTAURANT WORKERS' HEALTH INSURANCE PLAN

In 2010, based on the 505 worker surveys and 20 employer interviews focused specifically on workers' health insurance access and needs and consumer preferences with regard to health insurance, the Restaurant Opportunities Centers (ROC) United launched a national restaurant workers' health insurance plan, in an attempt to offer its low-wage restaurant worker members with access to affordable health care coverage. By pooling its 6,000 members nationwide, ROC was able to negotiate an affordable rate for a limited benefit plan through Aetna.



ROC-United believes that health care coverage should be a right for all people—including undocumented immigrants. Thus, ROC-United has formed a National Health Insurance Plan to (1) offer affordable health care coverage to all low-wage restaurant workers, especially those excluded from national Health Reform legislation; (2) demonstrate that undocumented immigrants are an insurable population, and (3) encourage legislation to fill the gaps in coverage created by Health Reform. ROC will be offering the plan to its 6000 members in eight states, and partnering with high road employers looking to provide affordable health insurance benefits to their employees.

ROC's plan is not comprehensive coverage. Throughout the process of enrolling its members, it will continue to educate restaurant workers on the benefits and limitations of a low-cost limited medical plan, and limit membership enrollment to those restaurant workers whose needs would be best suited by a low-cost plan. For low-income restaurant workers who have chronic illnesses or greater healthcare needs, ROC continues to inform them about other health insurance options, including Medicaid if qualified and discount clinics.

Most importantly, ROC is documenting its experience in providing this affordable care to low-wage restaurant workers to educate legislators about the need for, importance and potential of covering populations that have been excluded from national Health Reform legislation, including undocumented immigrants. Ultimately, we hope to provide easier access to health care for all.

APPENDIX | Survey Demographics

As mentioned above, this report was based on two different data sets. The larger data set was a sample of 4,323 surveys administered by staff, members, and volunteers from Restaurant Opportunities Center affiliates in Chicago, Detroit, New Orleans, Maine, New York, Miami, Los Angeles, and Washington, DC, as well as in partnership with volunteers from ally academic or community based organizations with significant contacts among restaurant workers and access to workplaces in the industry. A total of 4,323 surveys were conducted from 2003 until 2010. They were conducted face-to-face with workers in the vicinity of restaurants during breaks or at the end of shifts, and inside restaurants.

Table 8: Characteristics of Large National Restaurant Survey Sample (Unweighted)

	Percent of Sample		Percent of Sample
Race		Restaurant Segment	
White	36.9	Fancy Expensive	33.6
Black	20.0	Family Style	38.4
Hispanic/Latino	18.5	Fast/Quick Serve	27.1
Middle Eastern	1.6	Location	
Asian	14.4	Maine	12.1
Mixed	2.7	Chicago	13.3
Sex		Michigan	11.7
Male	45.1	New Orleans	12.4
Female	54.8	New York	12.3
Age		Miami	13.4
Below 25	46.6	Washington, DC	11.8
26-35	34.9	Los Angeles	13.0
36-45	11.7	TOTAL SAMPLE SIZE	4323
46-55	5.3		
Above 55	1.5		

Source: Restaurant Opportunities Centers United survey data

Notes on Large National Restaurant Survey Sample

Because there is no government data source listing individual restaurant workers in each city, it would have been extremely difficult to conduct a strictly random sample of this industry. Thus, in each location we conducted a convenience sample survey, but used stratification to ensure that our sample was as representative as possible of the city's restaurant industry. We used Bureau of Labor Statistics industry data to identify the size of key restaurant industry segments, and Census data to identify the size of key demographic groups (race, gender, age, and county of residence), in order to develop sampling goals in each city. Over a period of 6 to 12 months in each individual locality, and seven years total in all localities, interviewers then contacted restaurant workers on the streets and in communities in which restaurant workers reside, identifying workers as they left restaurants, or in restaurant uniforms, or simply by asking individuals if they worked in a restaurant. Like all methods, our sampling methodology has strengths and limitations. While ours were not strictly random surveys, the strength of our outreach methodology is that it allowed us to include populations of workers typically underrepresented in the Census. In addition, in-person surveys lead to high question-specific response rates. After fielding the surveys, we weighted the data as a final step to ensure representativeness. Specifically, using data from the United States Bureau of Labor Statistics, we weighted our sample to match the distribution of "back of the house" and "front of the house" staff in "full-service" establishments and "limited-services" eating places in the nation's restaurant industry. Finally, in pooling all of the local data into one national data set, we weighted each city's sample by the relative size of its restaurant industry, to ensure that restaurant workers in differently-sized markets were represented appropriately.



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